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Farm Broadcasters Letter



Letter No. 2199

February 7, 1985

FARM CREDIT RELIEF

Secretary of Agriculture John R. Block on Feb. 6 announced additional initiatives designed to further help financially stressed farmers through their temporary difficulties. These initiatives are added to the program announced last Sept.:

- * The Secretary will chair a Farm Credit Coordinating Group to coordinate activities of federal and financial regulatory agencies having responsibilities for farm credit issues.
- * New regulations will modify the procedures in the credit plan to include an interest write-down option along with a principal write-down option.
- * USDA will create an emergency "Credit Assistance" program.
- * Treasury will work with the FDIC, the Comptroller of the Currency and the Federal Reserve to implement a policy to avoid supervisory actions that may discourage banks from exercising forbearance or from working with farmers who are experiencing temporary difficulties.
- * USDA will create special action teams of trained FmHA lending officers to be sent on short notice to set up temporary offices in areas where a commercial bank or Farm Credit System institution has been liquidated.
- * USDA will help operate "credit hot lines" in various states to provide financial information and advice to troubled operators.
- * USDA will encourage state governments and commercial and Farm Credit System lenders to provide staff assistance to help with the timely processing of FmHA loan applications.

JANUARY EXPORT HIGHLIGHTS

According to the U.S. Department of Agriculture, the major developments affecting U.S. exports in January include: Argentine wheat continues to be aggressively marketed, with lower prices world wide and credit offers in South American markets; China emerged as an exporter of wheat and sorghum; Australia continues to sell significant quantities of feed wheat, competing with U.S. coarse grains; Peru is expected to import a greater volume of corn this year; France has offered credit to Portugal for agricultural products, which may affect exports of U.S. wheat and coarse grains; South Africa's corn crop was stressed due to drought and imports from the U.S. could again exceed one million tons; Japan agreed to resume imports of corn from Thailand, and these imports are competing with imports of U.S. corn; and Soviet purchases of barley were larger than expected in Jan., which will compete with U.S. corn.

SALES TO
USSR

According to the U.S. Department of Agriculture, private exporters recently reported sales of 300,000 metric tons of corn for delivery to the USSR during the 1984-85 marketing year and under the second year of the Long Term Grain Supply Agreement. Sales of wheat and corn to the USSR for delivery during the second year of the Agreement now total 14,405,600 tons, of which wheat is 3,089,900 tons and corn is 11,315,700 tons.

MEXICO -
OILSEEDS

The U.S. Department of Agriculture estimates Mexico's 1984/85 cottonseed imports at 70,000 tons. Mexico purchased 10,000 tons of cottonseed from Honduras in mid-Jan., with prices well below \$200 per ton. The Mexican oilseed industry has asked the Mexican buying agency to buy at least 100,000 tons of cottonseed in 1985 to stabilize cottonseed prices and to provide for adequate supplies. Some of this will likely be met by other oilseeds. Prior to the 10,000-ton purchase from Honduras, Mexico imported all - 27,000 tons - of its cottonseed from the U.S.

U.S. VEG OIL
TO USSR

A private exporter sold 25,000 tons of U.S. soybean oil to the Soviet Union on Jan. 29, according to the U.S. Department of Agriculture. Traditionally the U.S. has not been an important supplier of vegetable oil to the Soviets. This is the first purchase of U.S. soybean oil since 1979/80, when the Soviets purchased 25,000 tons. Other Soviet purchases of U.S. vegetable oil include 40,000 tons of sunflowerseed oil in 1982 and 15,000 tons of linseed oil in 1983/84. Soviet newspapers report that the 1984/85 sunflowerseed crop was 4.5 million tons, compared with just over 5 million in 1983/84.

EC PROPOSED
SUPPORT CUT

The European Community Commission has proposed cutting 1985/86 support prices for cereals by 3.6 percent regardless of the fact that production - excluding durum wheat - exceeds the EC's 1984 production threshold by 22 million tons. According to the U.S. Department of Agriculture, that excess should have meant a 5 pct. cut in prices. The Commission expects to end intervention stock purchases of low-quality feed wheat.

LOOP THE
COW

Dairy cows may have a new defense against mastitis, according to the U.S. Department of Agriculture. To fight off infection, a cow needs white blood cells. A plastic loop with a rough surface inserted harmlessly in a cow's udder will cause the cow's white cells to increase, exceeding the 900,000 per milliliter needed to halt infection. The loop has to have a rough surface.

NEW RULES
FOR PORK

Effective Aug. 6, the U.S. Department of Agriculture will allow federally inspected meat plants to use additional processing methods to destroy any trichina parasites that may be present in ready-to-eat pork products. The new rule finalizes additional methods proposed March 10, 1983, for freezing, curing and drying pork products. Some modifications were made in the final rule in response to comments on the proposal. The rule is in the Feb. 7 Federal Register. Send comments on the new provisions in duplicate by April 8, to: Regulations Office, FSIS Hearing Clerk, Room 4637-So., USDA, Washington, D.C. 20250. (For more info., call Bill F. Dennis, FSIS, 202/447-3840.)

FROM OUR
TELEVISION
SERVICE

"USDA 1986 Budget Proposal - I"...USDA Budget Director Stephen Dewhurst offers a historical perspective to the proposed 1986 agricultural budget, in comparison to USDA budgers in the 1970's. Vic Powell interviews. (311)

"USDA 1986 Budget Proposal - II"...USDA Budget Director Stephen Dewhurst explores some of the details of the proposed 1986 agricultural budget, including the credit crunch facing family farms and the budget reduction for the Soil Conservation Service. Vic Powell interviews. (312)

"Management of Public Lands"...Dale Robertson, Associate Chief of USDA's Forest Service, talks about the proposed interchange of public lands between the Agriculture and Interior Departments, and factors contributing to this situation. Vic Powell interviews. (313)

"Outlook for Dairy, Livestock & Poultry Exports"...U.S. exports of dairy, livestock and poultry were up significantly in 1984. John Riesz with USDA's Foreign Agricultural Service, focuses on the outlook for 1985. DeBoria Janifer interviews. (314)

"Future of Pork Industry"...University of Illinois economist Tom Hieronymus talks about the future of the pork industry with the decline in pork consumption, and what this will mean for producers. Gary Beaumont interviews. (315)

HEADS I WIN,
TAILS YOU
LOSE

The U.S. Department of Agriculture will hold a lottery on March 14 to allocate space for quarantining imported breeding cattle at its Harry S. Truman Import Center near Key West, Fla. The lottery will take place only if quarantine requests are received for at least 50 animals. There will be two quarantine periods of 90 days each at the import center this year, with South American cattle scheduled to arrive Aug. 15 and European cattle scheduled for Dec. 15. For application forms write: Import-Export Staff, APHIS, USDA, 838 Federal Bldg., 6505 Belcrest Rd., Hyattsville, Md. 20782. Return applications by Mar. 8, along with \$1,000 deposit for each animal to be imported.

GSM-102 AND
BLENDED
CREDIT

The U.S. Department of Agriculture has issued a summary report for exporters GSM-102 and Blended Credit for fiscal year 1985. The report shows commitments and remaining values by country and commodity as of Feb. 1, under Commodity Credit Corporation's Export Credit Guarantee Program and Blended Credit Program. (For further information, call 202/447-3224.)

9-1/8 PCT.
INTEREST
RATE

The commodity loans disbursed in Feb. by the U.S. Department of Agriculture will carry a 9-1/8 pct. interest rate. The new rate is down from 9-1/2 pct. The new rate reflects the interest rate the U.S. Treasury charged the Commodity Credit Corporation in February.

UNFAIR TO
YOUNG
CHICKENS

The preliminary total of Live Weight Poultry Inspections was 1.67 billion pounds for Dec. 1984, according to the U.S. Department of Agriculture. Inspections included 1.36 billion pounds of young chickens...71 million pounds of mature chickens...229 million pounds of turkeys...and 10.2 million pounds of ducks.

OFF MIKE

Busy day February 6. We set up a live feed to 20 farm broadcasters for Sec'y Block's press conference on the new farm loan program. Then later in the day we set up a telephone press conference with 22 farm broadcasters and Under Sec'y Frank Naylor. Incidentally, Sec'y Block reported the Farm Bill will not be introduced until the week of Feb. 18. We will be setting up both radio and television press conferences just for farm broadcasters, so if you would like to be included, give me a call at 202-447-4330 ... Marla Behrends (WKAN, Kankakee, IL) traveled with Sec'y Block to his EC meetings last fall. She also spent a couple extra days in Belgium visiting a 2nd cousin she had never met before, and she invited the family to visit her in 1986. Just the other day she received a letter that reported her cousin had had a triple bypass heart operation and that it turned out successfully. The letter said the first thing her cousin said when he awakened was, "We will go to the United States of America in 1986 to visit Marla." ... We received word that Warren Nielson and his co-worker at KFAB/KMTV, Omaha, NE, Roger Flemmer, were selected by the Nebraska Cooperative Extension Association to receive that organization's 1984 Certificate of Appreciation Award. Our congratulations! ... We were saddened to learn that Kate Burns, 15-year-old daughter of Conrad Burns (Beartooth Nets, Billings, MT), died suddenly, Feb. 3 ... Charlie Might (NAFB Executive Sales/Mkt Director) learned the hard way that a determined thief will have his/her way. His car was stolen in Indianapolis just before Christmas and stripped of its contents, except for a briefcase. Items taken included a camera and Christmas presents, the cruelest blow of all. Charlie says his car is now equipped with anti-theft devices that should foil any further attempts.

FROM OUR RADIO
SERVICE

AGRICULTURE USA #1445...(Weekly 13½ min documentary) Gary Crawford interviews Department of Agriculture Budget Director Steve Dewhurst about the changes in its proposed budget for FY '86. That budget contains some large cuts in lending programs, soil conservation aid and basic crop price supports.

AGRITAPE/FARM PROGRAM REPORT #1434...(Weekly reel of news features) USDA news highlights; Block unveils proposed budget; More farm credit relief; Helping accident victims.

CONSUMER TIME #928...(Weekly 2½-3 min features) Supermarket evolution; Fats and oils diet; Futuristic fabrics; Spaghetti squash; Saving injured wild animals.

USDA RADIO NEWS SERVICE...Thurs, Feb. 14, Milk production report; Prospective plantings report; Tues, Feb. 19, Farm labor report and Weekly crop and weather report; Thurs, Feb. 21, Catfish report. Dial the USDA National News Lines 202/488-8358 or 8359. All material changed at 5 p.m. EST each working day.



JAMES L. JOHNSON, Chief
Radio and Television Division